

Message Text

UNCLASSIFIED

PAGE 01 WINNIP 00018 132150Z

ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-01

INR-07 NSAE-00 USIA-15 TRSE-00 XMB-04 OPIC-06 SP-02

CIEP-02 LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-04

CEA-01 L-03 H-02 PA-02 PRS-01 INT-05 OES-06 /112 W

-----132158Z 034504 /71

P 132125Z JAN 77

FM AMCONSUL WINNIPEG

TO AMEMBASSY OTTAWA PRIORITY

INFO SECSTATE WASHDC PRIORITY 1801

AMCONSUL TORONTO PRIORITY

UNCLAS WINNIPEG 0018

E.O. 11652: N/A

TAGS: EMIN, CA

SUBJ: SASKATCHEWAN PREMIER CALLS ON POTASH FIRMS TO

PAY DOLS 15 MILLION IN BACK TAXES

REF: WINNIPEG 011

1. CITING "LANDMARK" DECISION REPORTED REFTEL, SASKATCHEWAN PREMIER ALLAN BLAKENEY HAS CALLED ON POTASH COMPANIES TO PAY DOLS 15 MILLION IN BACK TAXES, ACCORDING TO JAN 13 TORONTO GLOBE AND MAIL. (THAT DECISION WAS A UNANIMOUS RULING BY THE SASKATCHEWAN COURT OF APPEAL IN A CASE INVOLVING CENTRAL CANADA POTASH COMPANY LTD SUPPORTING CONSTITUTIONAL VALIDITY OF THE PROVINCE'S PRORATIONING SCHEME IMPLEMENTED IN 1969.)

2. MR. BLAKENEY EXPECTS THOSE COMPANIES WHICH WITHHELD PRORATIONING FEES PENDING THE COURT'S DECISION TO BRING THEIR PAYMENTS UP TO DATE SINCE HE BELIEVES THE DECISION "CUTS THE GROUND FROM UNDER THE POTASH COMPANIES' CLAIM THAT PRORATIONING FEES ARE UNCONSTITUTIONAL AND NEED NOT BE PAID." SINCE ANOTHER SIMILAR COURT CASE (INVOLVING 10 OTHER COMPANIES) IS STILL PENDING, THE PREMIER ALSO
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 WINNIP 00018 132150Z

EXPECTS SOME COMPANIES MAY NOT PAY UP IMMEDIATELY
ALTHOUGH HE SEES NO JUSTIFICATION FOR THEM NOT TO PAY.

3. AN ATTORNEY FOR CENTRAL CANADA SAID IT WOULD BE PRESUMPTUOUS FOR HIS CLIENT TO MAKE PAYMENTS UNTIL MATTER IS FINALLY SETTLED, AND ALTHOUGH DECISION RESTS WITH THE COMPANY, HE WILL BE ADVISING CENTRAL CANADA TO APPEAL

TO THE SUPREME COURT OF CANADA.

4. ACCORDING TO MR. BLAKENEY, ONLY REASON REMAINING
NOT TO PAY UP NOW IS "FARCIAL" ONE THAT THE COMPANIES
DO NOT BELIEVE THE PROVINCIAL GOVERNMENT WOULD BE "GOOD"
FOR REPAYMENT IF THE SUPREME COURT RULED AT SOME
FUTURE TRIAL THAT THE FEES ARE UNCONSTITUTIONAL. MR.
BLAKENEY, HOWEVER, HAS "NO REASON TO BELIEVE THAT THE SUPREME
COURT OF CANADA WOULD OVER TURN THE UNANIMOUS DECISION
OF THE SASKATCHEWAN COURT OF APPEAL.
HUTSON

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS COMMENTS, POTASSIUM, BUSINESS FIRMS, TAXES
Control Number: n/a
Copy: SINGLE
Sent Date: 13-Jan-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977WINNIP00018
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770013-1052
Format: TEL
From: WINNIPEG
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770153/aaaabukp.tel
Line Count: 73
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 0dff04da-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 77 WINNIPEG 11
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 20-Sep-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3601878
Secure: OPEN
Status: NATIVE
Subject: SASKATCHEWAN PREMIER CALLS ON POTASH FIRMS TO PAY DOLS 15 MILLION IN BACK TAXES
TAGS: EMIN, CA, (BLAKEEY, ALLAN)
To: OTTAWA
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/0dff04da-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009